

**8<sup>th</sup> International Workshop on “Financial Markets and  
Nonlinear Dynamics” (FMND), 30-31 May 2024, Paris  
(France)**



International Association for  
**APPLIED ECONOMETRICS**



Université  
de Lille



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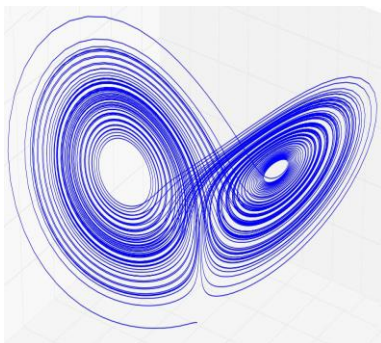
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Lille University Management - ULR 4999

The Society for Nonlinear Dynamics and Econometrics



Institute for Nonlinear Dynamical Inference

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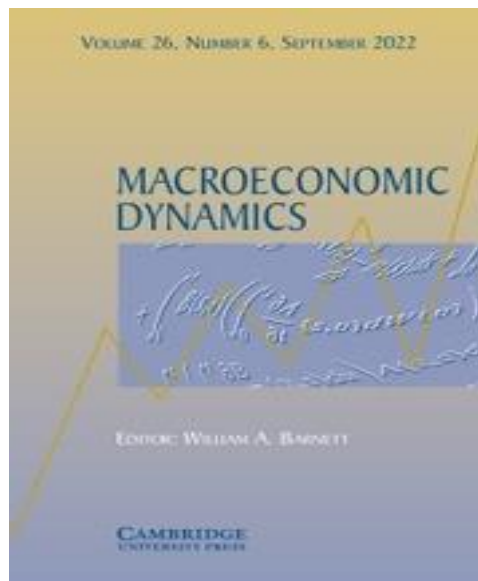


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école d'économie d'aix-marseille  
aix-marseille school of economics

# 8<sup>th</sup> International Workshop on “Financial Markets and Nonlinear Dynamics” (FMND), 30-31 May 2024, Paris (France)

With the collaboration of the **International Association for Applied Econometrics (IAAE)**, the **Society for Nonlinear Dynamics and Econometrics (SNDE)**, the **Institute for Nonlinear Dynamical Inference (INDI)**, the **French Finance Association (AFFI)**, the **IAE Lille University School of Management (LUMEN)**, **Aix Marseille School of Economics** and **these Journals**:



**8<sup>th</sup> International Workshop on “Financial Markets and  
Nonlinear Dynamics” (FMND), 30-31 May 2024, Paris  
(France)**

**Keynote Speakers**

**Prof. Tarun CHORDIA** (Emory University, the USA)  
**Prof. Thierry FOUCAULT** (HEC Paris, France)

**Distinguished Speaker**

**Prof. Cars HOMMES** (University of Amsterdam & Bank of Canada, Netherlands)

**Chairs**

**Prof. Gilles DUFRENOT** (Sciences Po Aix, France)  
**Prof. Fredj JAWADI** (University of Lille, France)

**Co-sponsors:**

**International Association for Applied Econometrics (IAAE)**  
**The Society for Nonlinear Dynamics and Econometrics**  
**IAE Lille University School of Management -LUMEN**

**Workshop Address**

The 8<sup>th</sup> FMND Workshop will be organized in Paris at the Building of “Chambre de Commerce et d'Industrie de Paris CCIP”.

**Address:** 2 place Bourse, 75002 Paris.

**Metro:** Bourse

**Bourse** is a station on Line 3 of the Paris Metro, situated in the 2nd arrondissement of Paris.

For more details, please refer to this link:

<https://fr.mappy.com/poi/5d8bfa5754c4c06509f7af0e>

# General Workshop Program

**Day 1: May 30<sup>th</sup>, 2024**

**08:15 AM – 8:45 AM: Registration and Welcome Coffee**

**08:45 AM -09:00 AM Opening Remarks (Room Yvonne Foinant)**

**Prof. Gilles Dufrénot** (Sciences Po Aix, France) and **Prof. Fredj Jawadi** (University of Lille, France)

**09:00 AM – 10:30 AM Parallel Sessions 1 – 3 (Room Yvonne Foinant, Room Condorcet, Room 131)**

**SESSION 1: NONLINEAR DYNAMICS, ROOM YVONNE FOINANT**

**CHAIRMAN: PROF. Cecilio Tamarit** (University of Valencia, Spain)

**SESSION 2: VOLATILITY MODELING, ROOM CONDORCET**

**CHAIRMAN: PROF. Gabriel Arce Alfaro** (Central Bank of Ireland, Ireland)

**SESSION 3: PHD STUDENT WORKSHOP 1, ROOM 131**

**CHAIRMAN: PROF. Gilles Dufrénot** (Science Po Aix, France)

**10:30 AM – 11:00 AM Coffee Break Room Legentil**

**11:00 AM – 12:00 PM Plenary Session 1 Room Yvonne Foinant**

**Keynote Speaker 1: PROF. Thierry Foucault** (HEC Paris, France)

**Moderator: PROF. Gilles Dufrénot** (Science Po Aix, France)

**Lecture: “Algorithmic Pricing and Liquidity in Securities Markets”**

**12:00 PM – 01:30 PM Lunch**

**01:30 PM – 3:00 PM Parallel Sessions 4 - 6 (Room Yvonne Foinant, Room Condorcet, Room 131)**

**SESSION 4: FINANCIAL INTERMEDIATION & RISK MANAGEMENT, ROOM YVONNE FOINANT**

**CHAIRMAN: PROF. Covi Giovanni** (Bank of England, The UK)

**SESSION 5: MARKET MICROSTRUCTURE, ROOM CONDORCET**

**CHAIRMAN: PROF. Sandrine Jacob Leal** (ICN Business School- University of Lorraine CEREFIGE, France)

**SESSION 6: BANKING & MARKET REGULATION, ROOM 131**

**CHAIRMAN: PROF. Mario Eboli** (Università 'G. d'Annunzio', Italy)

**03:00 PM – 4.00 PM**                      **Plenary Session 2**    **Room Yvonne Foinant**

**Keynote Speaker 2: PROF. Tarun Chordia** (Emory University, The USA)

**Moderator: PROF. Fredj Jawadi** (University of Lille, France)

**Lecture: “True Liquidity and Fundamental Prices: US Tick Size Pilot”**

**04:00 PM – 4.30 PM**    **Coffee Break**    **Room Legentil**

**04:30 PM – 06:00 PM** **Parallel Sessions 7 -9 (Room Yvonne Foinant, Room Condorcet, Room 131)**

**SESSION 7: CLIMATE RISKS AND GREEN FINANCE, ROOM YVONNE FOINANT**

**CHAIRMAN: PROF. Willi Semmler** (The New School for Social Research and University of Bielfeld, The USA)

**SESSION 8: FINANCIAL ECONOMETRICS 1, ROOM CONDORCET**

**CHAIRMAN: PROF. Cécile Bastidon** (University of Toulon & CAC-IXXI, Complex Systems Institute, France)

**SESSION 9: ENERGY FINANCE, ROOM 131**

**CHAIRMAN: PROF. Fredj Jawadi** (IAE Lille University School of Management, France)

**7:15 PM**    **Visit to the Musée d'Orsay<sup>1</sup>**

**8:30 PM**    **Dinner at Musée d'Orsay**

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<sup>1</sup> Please, note that the visit and dinner are open only for the authors who registered for the dinner.

**Day 2: May, 31<sup>st</sup>, 2024**

**09:00 AM – 10:30 AM** Parallel Sessions 10 – 11 (Room Vitrail, Room Condorcet)

**SESSION 10: TIME SERIES, ROOM VITRAIL**

**CHAIRMAN: PROF. Svetlana Makarova** (University College London, The UK)

**SESSION 11: FINANCIAL ECONOMETRICS 2, ROOM CONDORCET**

**CHAIRMAN: PROF. Giovanni Caggiano** (University of Padua - Monash University, Italy)

**10:30 AM – 11:00 AM** Coffee Break Room Legentil

**11:00 AM – 12:30 PM** Parallel Sessions 12 – 13 (Room Vitrail, Room Condorcet)

**SESSION 12: SPECTRAL AND NONPARAMETRIC APPROACHES, ROOM VITRAIL**

**CHAIRMAN: PROF. Silvio Contessi** (Monash University, Australia)

**SESSION 13: APPLIED FINANCIAL ECONOMICS, ROOM CONDORCET**

**CHAIRMAN: PROF. Jacek Suda** (Narodowy Bank Polski and SGH Warsaw School of Economics, Poland)

**12:30 PM – 02:00 PM** Lunch

**02:00 PM – 03:00 PM: Distinguished Speaker: PROF. Cars Hommes** (University of Amsterdam & Bank of Canada, Netherlands)

**Moderator: PROF. Fredj Jawadi** (University of Lille, France)

**Lecture: “Adaptive Behavior in the Lab”**

**03:00 PM – 04:30 PM** Parallel Sessions 14– 15 (Room Vitrail, Room Condorcet)

**SESSION 14: ASSET PRICING, ROOM VITRAIL**

**CHAIRMAN: Rim Cherif** (The American University in Cairo (School of Business), Egypt)

**SESSION 15: PHD STUDENT WORKSHOP 2, ROOM CONDORCET**

**CHAIRMAN: PROF. Aditi Chaubal** (Indian Institute of Technology Bombay, India)

**04:30 PM – 05:00 PM** Coffee Break Room Legentil

**05:00 PM – 06:00 PM** MEETING WITH EDITORS ROOM VITRAIL

**Moderator: PROF. Fredj Jawadi** (IAE Lille University School of Management, France)

**06:00 PM CONCLUDING REMARKS AND INFORMATION ABOUT SPECIAL ISSUES** ROOM VITRAIL

**PROF. Gilles Dufrénot** (Sciences Po Aix, France) and **PROF. Fredj Jawadi** (IAE Lille University School of Management, France)

# Detailed Workshop Program

**Day 1: May 30<sup>th</sup>, 2024**

**08:15 AM – 8:45 AM: Registration and Welcome Coffee**

**08:45 AM -09:00 AM Opening Remarks (Room Yvonne Foinant)**

**Prof. Gilles Dufrénot** (Sciences Po Aix, France) and **Prof. Fredj Jawadi** (University of Lille, France)

**09:00 AM – 10:30 AM Parallel Sessions 1 – 3 (Room Yvonne Foinant, Room Condorcet, Room 131)**

**SESSION 1: NONLINEAR DYNAMICS, ROOM YVONNE FOINANT**

**CHAIRMAN: PROF. Cecilio Tamarit** (University of Valencia, Spain)

**Paper Title (ID):** Nonlinear Effects of Regional Financial Integration on Economic Growth in Africa (71)

**Authors:** **Ghislain Balla Mekongo Celestin** (University of Yaoundé II, Cameroun)

**Discussant:** **Giovanni Urga** (Bayes Business School, London, UK)

**Paper Title (ID):** Asset Class liquidity Risk Indicators. Timing the Risk in the European and US Equity and Bond Markets (10)

**Authors:** **Giovanni Urga** (Bayes Business School, London, UK), Anna Coppola (Banco BPM, Milan, Italy) and Alessandro Varaldo (Banca Aletti-Banco BPM, Italy)

**Discussant:** **Cecilio Tamarit** (University of Valencia, Spain)

**Paper Title (ID):** A Time-Varying Estimation of an External Reaction Function for EMU Countries: The Role of Risk-Aversion and Financial Openness (70)

**Authors:** Mariam Camarero (Universitat Jaume, Spain), Juan Sapena (Catholic University of Valencia) and **Cecilio Tamarit** (University of Valencia, Spain)

**Discussant:** **Ghislain Balla Mekongo Celestin** (University of Yaoundé II, Cameroun)



## **SESSION 2: VOLATILITY MODELING, ROOM CONDORCET**

**CHAIRMAN: PROF. Gabriel Arce Alfaro** (Central Bank of Ireland, Ireland)

**Paper Title (ID):** Good vs. Bad Volatility in Major Cryptocurrencies: The Dichotomy and Drivers of Connectedness (33)

**Authors:** Jan Sila (Czech Academy of Sciences, Institute of Information Theory and Automation, Czech Republic), Evzen Kocenda (Institute of Information Theory and Automation, Czech Republic), Ladislav Kristoufek (Institute of Information Theory and Automation, Czech Republic) and **Kukacka Jiri** (Czech Academy of Sciences, Institute of Information Theory and Automation, Czech Republic)

**Discussant: Marc Joëts** (IESEG School of Management, France)

**Paper Title (ID):** Reasons behind Words: OPEC Narratives and the Oil Market (3)

**Authors:** Celso Brunetti (Board of Governors of the Federal Reserve System, The USA), **Marc Joëts** (IESEG School of Management, France) and Valérie Mignon (EconomiX-CNRS, University of Paris Nanterre and CEPPII, France)

**Discussant: Gabriel Arce Alfaro** (Central Bank of Ireland, Ireland)

**Paper Title (ID):** Oil Supply Uncertainty in the Global Oil Market (39)

**Authors: Gabriel Arce Alfaro** (Central Bank of Ireland, Ireland)

**Discussant: Kukacka Jiri** (Czech Academy of Sciences, Institute of Information Theory and Automation, Czech Republic)

## **SESSION 3: PHD STUDENT WORKSHOP 1, ROOM 131**

**CHAIRMAN: PROF. Gilles Dufrénot** (Science Po Aix, France)

**Paper Title (ID):** Enhancing Financial Stability: A Multiscale Wavelet Analysis of Market Volatility, Long Memory, Chaos and Forecasting Efficacy (69)

**Authors: Vimarsh Padha** (Indian Institute of Technology Bombay, India), and **Aditi Chaubal** (Indian Institute of Technology Bombay, India)

**Discussant: Fredj Jawadi** (IAE Lille University School of Management, France)

**Paper Title (ID):** Poor Planning: Investors who Save Regularly Save Less Overall (21)

**Authors: Jentry Indigo Jones** (University of Orléans, France)

**Discussant: Gilles Dufrénot** (Science Po Aix, France)

**Paper Title (ID):** ECB's Central Bank Communication and Monetary Policy Transmission: Predictability from Text-based Sentiment Indicators? (17)

**Authors: Robert L. Czudaj** (Technical University Bergakademie Freiberg, Germany) and **Bich Ngoc Nguyen** (Technical University Bergakademie Freiberg, Germany)

**Discussant: Aditi Chaubal** (Indian Institute of Technology Bombay, India)

**10:30 AM – 11:00 AM**      **Coffee Break**    **Room Legentil**

**11:00 AM – 12:00 PM**      **Plenary Session 1**    **Room Yvonne Foinant**

**Keynote Speaker 1: PROF. Thierry Foucault** (HEC Paris, France)

**Moderator: PROF. Gilles Dufrénot** (Science Po Aix, France)



## Keynote Speaker 1: PROF. Thierry FOUCAULT (HEC Paris, France)



**Thierry Foucault** is Professor of Finance at HEC Paris where he holds a chair from the HEC Foundation and a research fellow of the [Centre for Economic Policy \(CEPR\)](#). His research focuses on the determinants of financial markets liquidity, the production of information in these markets, their industrial organization, and their effect on the real economy. It is published in leading scholarly journals such as *Journal of Finance*, *Review of Financial Studies*, or *Journal of Financial Economics*. In 2021, he received a grant from the [European Research Council \(ERC\)](#) to work on the effects of AI and big data on information production in financial markets. He has received research awards from the [Louis Bachelier Institute](#), the HEC Foundation, and the Analysis Group award for the best paper on Financial Markets and Institutions presented at the 2009 [Western Finance Association \(WFA\) meetings](#). He serves or served on the scientific committees of the [Autorité des Marchés Financiers \(AMF\)](#), the Norges Bank Academic Program (NBAP), the [Research Foundation of the Banque de France](#), the Group of Economic Advisors of the Committee of Economic and Markets Analysis of the [European Securities and Markets Authority \(ESMA\)](#) and was a member the executive committee of the [European Finance Association \(EFA\)](#). He is currently co-managing editor of the [Journal of Financial and Quantitative Analysis \(JFQA\)](#) and an Associate Editor of the [Journal of Economic Theory](#) and the [Journal of Finance](#), and a former Associate Editor of [The Review of Financial Studies](#). He also served as co-editor of the [Review of Finance](#) and the [Review of Asset Pricing Studies \(RAPS\)](#). He co-authored, with Marco Pagano and Ailsa Röell, “[Market Liquidity: Theory, Evidence and Policy](#)”, a textbook on market liquidity published by Oxford University Press (new edition in 2024).

### Lecture: “Algorithmic Pricing and Liquidity in Securities Markets”

#### Abstract

We let “Algorithmic Market Makers” (AMs), using Q-learning algorithms, determine prices for a risky asset in a standard market making game with adverse selection and compare these prices to the Nash equilibrium of the game. We observe that AMs effectively adapt to adverse selection, adjusting prices post-trade as anticipated. However, AMs charge a markup over the competitive price and this markup increases when adverse selection costs decrease, in contrast to the predictions of the Nash equilibrium. We attribute this unexpected pattern to the diminished learning capacity of AMs when faced with increased profit variance.

**12:00 PM – 01:30 PM**

**Lunch**

**01:30 PM – 3:00 PM Parallel Sessions 4 - 6 (Room Yvonne Foinant, Room Condorcet, Room 131)**

**SESSION 4: FINANCIAL INTERMEDIATION & RISK MANAGEMENT, ROOM YVONNE FOINANT**

**CHAIRMAN: PROF. Covi Giovanni** (Bank of England, The UK)

**Paper Title (ID):** Sovereign Risk Dynamics in the EU: the Time Varying Relevance of Fiscal and External (Im)balances (11)

**Authors:** António Afonso (ISEG – School of Economics and Management, Universidade de Lisboa, Portugal), **José Alves** (ISEG – School of Economics and Management, Universidade de Lisboa, Portugal) and Sofia Monteiro (ISEG – School of Economics and Management, Universidade de Lisboa, Portugal)

**Discussant: Pauline Gandré** (University of Paris Nanterre & EconomiX-CNRS, France)

**Paper Title (ID):** Macprudential Policy and Credit Spreads (29)

**Authors:** **Pauline Gandré** (University of Paris Nanterre & EconomiX-CNRS, France) and Margarita Rubio (University of Nottingham, The UK)

**Discussant: Covi Giovanni** (Bank of England, The UK) and Anne-Caroline Huser (Bank of England, The UK)

**Paper Title (ID):** Measuring Capital at Risk with Financial Contagion: Two-Sector Model with Banks and Insurers

**Authors:** **Covi Giovanni** (Bank of England, The UK) and Anne-Caroline Huser (Bank of England, The UK)

**Discussant: José Alves** (ISEG – School of Economics and Management, Universidade de Lisboa, Portugal)

**SESSION 5: MARKET MICROSTRUCTURE, ROOM CONDORCET**

**CHAIRMAN: PROF. Sandrine Jacob Leal** (ICN Business School- University of Lorraine CEREFIGE, France)

**Paper Title (ID):** The Five-Step Tango (Plus or Minus Two): Emergent Rhythm and Information in Algorithmic Trading Patterns (58)

**Authors:** **Laurent Pataillot** (University of Lyon and Audencia Business School, France), Iordanis Kalaitzoglou (Audencia Business School, France) and Brice Corgnet (GATE-CNRS and Emlyon Business School, France)

**Discussant: Sergei Gurov** (National Research University Higher School of Economics, Russia)

**Paper Title (ID):** Algorithmic Trading, What If It Is Just an Illusion? Evidence from Experimental Asset Markets (59)

**Authors:** **Sandrine Jacob Leal** (ICN Business School- University of Lorraine CEREFIGE, France) and Hanaki Nobuyuki (Institute of Social and Economic Research -Osaka University, Japan)

**Discussant: Laurent Pataillot** (University of Lyon and Audencia Business School, France)

**Paper Title (ID):** Media Sentiment, News and Liquidity of Chinese Property Developer Stocks Amidst the Shadow of a Mortgage Crisis in China (36)

**Authors:** **Sergei Gurov** (National Research University Higher School of Economics, Russia) and Tamara Teplova (National Research University Higher School of Economics, Russia)

**Discussant: Sandrine Jacob Leal** (ICN Business School- University of Lorraine, France)

**SESSION 6: BANKING & MARKET REGULATION, ROOM 131**

**CHAIRMAN: PROF. Mario Eboli** (Università 'G. d'Annunzio', Italy)

**Paper Title (ID):** Dissecting Capital Flows: Do Capital Controls Shield Against Foreign Shocks? (5)

**Authors:** **Kyongjun Kwak** (OECD, France) and Camilo Granados (University of Texas at Dallas, The USA)

**Discussant:** **Dieter Nautz** (Freie Universitat Berlin and Berlin School of Economics, Germany)

**Paper Title (ID):** Asymmetric Inflation Target Credibility (19)

**Authors:** Winnie Coleman (Freie Universitat Berlin and Berlin School of Economics , Germany) and **Dieter Nautz** (Freie Universitat Berlin and Berlin School of Economics, Germany)

**Discussant:** **Mario Eboli** (Università 'G. d'Annunzio', Italy)

**Paper Title (ID):** Systemic Risk in Core-Periphery Interbank Networks (38)

**Authors:** **Mario Eboli** (Università 'G. d'Annunzio', Italy)

**Discussant:** **Kyongjun Kwak** (OECD, France)

**03:00 PM – 4.00 PM**

**Plenary Session 2 Room Yvonne Foinant**

**Keynote Speaker 2: PROF. Tarun Chordia** (Emory University, The USA)

**Moderator: PROF. Fredj Jawadi** (University of Lille, France)

## **Keynote Speaker 2: PROF. Tarun Chordia** (Emory University, The USA)



**Tarun Chordia** is R. Howard Dobbs Professor of Finance Goizueta Business School, Emory University. Professor Tarun Chordia received his PhD in finance from the Anderson Graduate School of Management, UCLA, in 1993. He was an Assistant Professor of Finance at the Owen Graduate School of Management, Vanderbilt University from 1993. He joined the Goizueta Business School at Emory University in 2000. Prior to his doctoral studies, he worked for Citibank as a relationship and credit manager in the Financial Institutions Group. Professor Chordia's research is grounded in both theory and empirical methods and spans a diverse area of financial economics. He has published extensively in the top finance journals and has received numerous awards and grants for his research on empirical asset pricing and market microstructure. He is the former managing editor of the Journal of Financial Markets and a past associate editor of Review of Financial Studies. Professor Chordia has been on the program committee for a number of conferences. He has presented at many conferences and has served as a referee for numerous journals. For more details, see : <https://goizueta.emory.edu/faculty/profiles/tarun-chordia>

### **Lecture: “True Liquidity and Fundamental Prices: US Tick Size Pilot”**

#### **Abstract**

We develop a big data methodology to estimate true stock prices and liquidity, explicitly considering rounding due to the minimum tick size. We apply our method to evaluate the tick size pilot (TSP), which increased the tick size for randomly chosen stocks. While the TSP increases market-maker profits, it does not improve liquidity. This is consistent with theoretical models but contrasts with existing empirical studies. Rounding-adjusted liquidity measures, unlike the existing liquidity measures, capture the TSP-induced trading restrictions, the decreased inventory holdings of market-makers, and exhibit less dispersion across exchanges.

Accounting for rounding is important.

**Keywords:** Liquidity, True Prices, Rounding, Effective Spreads, Realized Spreads, US Tick Size Pilot, Machine Learning, Structural Estimation, Variational Inference, High-Frequency Data.

**04:00 PM – 4.30 PM**   **Coffee Break**   **Room Legentil**

**04:30 PM – 06:00 PM Parallel Sessions 7 -9 (Room Yvonne Foinant, Room Condorcet, Room 131)**

**SESSION 7: CLIMATE RISKS AND GREEN FINANCE, ROOM YVONNE FOINANT**

**CHAIRMAN: PROF. Willi Semmler** (The New School for Social Research and University of Bielfeld, The USA)

**Paper Title (ID):** What Determines Green Innovation Adoption? Exploring Firm Characteristics, Board Composition, and External Pressures

**Authors:** **Rabeb Riahi** (University of Tunis, Tunisia), **Souhir Chlibi** (ESCE International Business School, France) and **David Veganzones** (ESCE International Business School, France)

**Discussant:** **Michael Donadelli** (University of Brescia, Italy)

**Paper Title (ID):** European Green Deal News, Climate Change, Exposure and Greener vs. Browner Portfolios

**Authors:** **Michael Donadelli** (University of Brescia, Italy)

**Discussant:** **Willi Semmler** (The New School for Social Research and University of Bielfeld, The USA)

**Paper Title (ID):** Central Banks, Climate Risks, and Energy Transition – A Dynamic Macro Model and Econometric Evidence (51)

**Authors:** Joao Paulo Bragat (Brazilian Development Bank, Brazil), Pu Chen (Melbourne Institute of Technology, Australia) and **Willi Semmler** (The New School for Social Research and University of Bielfeld, The USA)

**Discussant:** **David Veganzones** (ESCE International Business School, France)

**SESSION 8: FINANCIAL ECONOMETRICS 1, ROOM CONDORCET**

**CHAIRMAN: PROF. Cécile Bastidon** (University of Toulon & CAC-IXXI, Complex Systems Institute, France)

**Paper Title (ID):** Stock Return Predictability: Comparing Macro- and Micro-Approaches (25)

**Authors:** **Arthur Stalla-Bourdillon** (Université Paris dauphine and Bank of France, France)

**Discussant:** **Tomás del Barrio Castro** (University of the Balearic Islands, Spain)

**Paper Title (ID):** The Effect of Aggregation on Seasonal Cointegration in Mixed Frequency data (27)

**Authors:** Dietmar Bauer (Bielefeld University, Germany) and **Tomás del Barrio Castro** (University of the Balearic Islands, Spain)

**Discussant:** **Cécile Bastidon** (University of Toulon & CAC-IXXI, Complex Systems Institute, France)

**Paper Title (ID):** The International Monetary System and International Financial System as an Analogy to the Copernican Heliocentric System (18)

**Authors:** Michael Bordo (Rutgers University & NBER, the USA) and **Cécile Bastidon** (University of Toulon & CAC-IXXI, Complex Systems Institute, France).

**Discussant:** **Arthur Stalla-Bourdillon** (Université Paris dauphine and Bank of France, France)

**SESSION 9: ENERGY FINANCE, ROOM 131**

**CHAIRMAN: PROF. Fredj Jawadi** (IAE Lille University School of Management, France)

**Paper Title (ID):** Media Sentiment and the Oil Market (67)

**Authors:** Joscha Beckmann (FernUniversität in Hagen, Germany) and **Joseph Agyapong** (FernUniversität in Hagen, Germany)

**Discussant:** **Syed Jawad Hussain Shahzad** (Montpellier Business School, France)

**Paper Title (ID):** Extreme Tail Dependence among Commodities and its Portfolio Implications (7)

**Authors:** **Syed Jawad Hussain Shahzad** (Montpellier Business School, France), Elie Bouri (Lebanese American University, France), Sitara Kareem (Sunway Business School- Sunway University, Malaysia) and Perry Sadorsky (Schulich School of Business-York University, The USA)

**Discussant:** **Jamel Saadaoui** (University of Strasbourg, France)

**Paper Title (ID):** How Do Political Tensions and Geopolitical Risks Impact Oil Prices? (78)

**Authors:** **Jamel Saadaoui** (University of Strasbourg, France) and Valérie Mignon (University of Paris Nanterre, France)

**Discussant:** **Joseph Agyapong** (FernUniversität in Hagen, Germany)

**7:15 PM**

**Visit to the Musée d'Orsay<sup>2</sup>**

**8:30 PM**

**Dinner at Musée d'Orsay**

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<sup>2</sup> Please, note that the visit and dinner are open only for the authors who registered for the dinner.



## Day 2: May, 31<sup>st</sup>, 2024

09:00 AM – 10:30 AM Parallel Sessions 10 – 11 (Room Vitrail, Room Condorcet)

### SESSION 10: TIME SERIES, ROOM VITRAIL

**CHAIRMAN: PROF. Svetlana Makarova** (University College London, The UK)

**Paper Title (ID):** Is Euro Area Sovereign Debt sustainable after all? A probabilistic Approach (62)

**Authors:** Navarro-Ortiz (University of Barcelona and Catholic University of Valencia, Spain) and **Juan Sapena** (Catholic University of Valencia, Spain)

**Discussant:** **Anna Sznajderska** (SGH Warsaw School of Economics, Poland)

**Paper Title (ID):** Fiscal Multipliers: Evidence from a Bayesian SVAR model (37)

**Authors:** **Anna Sznajderska** (SGH Warsaw School of Economics, Poland), Karol Szafranek (SGH Warsaw School of Economics, Poland) and Alfred Haug (University of Otago, New Zealand)

**Discussant:** **Svetlana Makarova** (University College London, The UK)

**Paper Title (ID):** Testing for Policy Effects in a Nonlinear Time Series Model (65)

**Authors:** Wojciech Charemza (Vistula University, Poland, and University of Leicester, The UK), Christian Francq (CREST, France), Radu Lupu (Bucharest University of Economic Studies and Institute for Economic, Romania), **Svetlana Makarova** (University College London, The UK) and Jean-Michel Zakoïan (CREST, France)

**Discussant:** **Juan Sapena** (Catholic University of Valencia, Spain)

### SESSION 11: FINANCIAL ECONOMETRICS 2, ROOM CONDORCET

**CHAIRMAN: PROF. Giovanni Caggiano** (University of Padua - Monash University, Italy)

**Paper Title (ID):** Posterior Inferences on Incomplete Structural Models: The Minimal Econometric Interpretation (28)

**Authors:** **Takashi Kano** (Graduate School of Economics & Hitotsubashi University, Japan)

**Discussant:** **Kirill Mansurov** (Saint Petersburg University, Russia)

**Paper Title (ID):** Simulating Cryptocurrency Markets: Insights from Agent-Based Models and Deep Reinforcement Learning (72)

**Authors:** **Kirill Mansurov** (Saint Petersburg University, Russia), Alexander Semenov (Saint Petersburg University, Russia), Dmitry Grigoriev (Saint Petersburg University, Russia), Andrei Radionov (Saint Petersburg University, Russia) and Rustam Ibragimov (Saint Petersburg University, Russia)

**Discussant:** **Giovanni Caggiano** (University of Padua& Monash University, Italy)

**Paper Title (ID):** Measuring Cross-Country Spillovers of Growth-at-Risk (42)

**Authors:** Luyang Li (Monash University, Australia), Natalia Bailey Li (Monash University, Australia) and **Giovanni Caggiano** (University of Padua& Monash University, Italy)

**Discussant:** **Takashi Kano** (Graduate School of Economics & Hitotsubashi University, Japan)

10:30 AM – 11:00 AM Coffee Break Room Legentil



**11:00 AM –12:30 PM Parallel Sessions 12 – 13 (Room Vitrail, Room Condorcet)**

**SESSION 12: SPECTRAL AND NONPARAMETRIC APPROACHES, ROOM VITRAIL**

**CHAIRMAN: PROF. Silvio Contessi** (Monash University, Australia)

**Paper Title (ID):** What Are the Main Sources of Bank's Productivity in the GCC: Some Evidence Using a Semiparametric Cost Model (75)

**Authors:** **Mohamed E. Chaffai** (FSEG Sfax, Tunisia)

**Discussant:** **Petre Caraiani** (Bucharest University of Economic Studies & Institute for Economic Forecasting, Romanian Academy, Romania)

**Paper Title (ID):** Spectral Networks for Times Series (49)

**Authors:** **Petre Caraiani** (Bucharest University of Economic Studies & Institute for Economic Forecasting, Romanian Academy, Romania) and Maria Grith (Erasmus School of Economics, Erasmus University Rotterdam, The Netherlands)

**Discussant:** **Silvio Contessi** (Monash University, Australia) and Shuya Yang (University of Melbourne, Australia)

**Paper Title (ID):** High-Frequency Asymmetric Responses of Housing and Stock Prices to Monetary Policy Surprises (64)

**Authors:** **Silvio Contessi** (Monash University, Australia) and Shuya Yang (University of Melbourne, Australia)

**Discussant:** **Mohamed E. Chaffai** (FSEG Sfax, Tunisia)

**SESSION 13: APPLIED FINANCIAL ECONOMICS, ROOM CONDORCET**

**CHAIRMAN: PROF. Jacek Suda** (Narodowy Bank Polski and SGH Warsaw School of Economics, Poland)

**Paper Title (ID):** Why Profit Reinvested is Better for Society than is Profit Distributed? (45)

**Authors:** **Arthur Jonath** (Profit and Entropy, The USA), John O'Connell (University of Virginia, The USA) and Fred Khorasani (Profit and Entropy, The USA)

**Discussant:** **Eiji Okano** (Nagoya City University, Japan)

**Paper Title (ID):** The Effect of a Money-Financed Fiscal Stimulus in a Small Open Economy with the FTPL (15)

**Authors:** **Eiji Okano** (Nagoya City University, Japan) and Nguyen Thi Viet Phuong (Nagoya City University, Japan)

**Discussant:** **Jacek Suda** (Narodowy Bank Polski and SGH Warsaw School of Economics, Poland)

**Paper Title (ID):** Heterogeneity in Labor Market Response to Monetary policy: Small versus Large firms (60)

**Authors:** Aarti Singh (University of Sydney, Australia), **Jacek Suda** (Narodowy Bank Polski and SGH Warsaw School of Economics, Poland), Anastasia Zervou (University of Texas at San Antonio, The USA)

**Discussant:** **Arthur Jonath** (Profit and Entropy, The USA)

**12:30 PM – 02:00 PM**

**Lunch**

**02:00 PM – 03:00 PM: Distinguished Speaker: PROF. Cars Hommes** (University of Amsterdam & Bank of Canada, Netherlands)

**Moderator: PROF. Fredj Jawadi** (University of Lille, France)



**Cars Hommes** holds a Ph-D in Economics since 1991 from the University of Groningen and is professor of *Economic Dynamics* at the University of Amsterdam and Senior Research Advisor at the Bank of Canada. His research interests include complex economic systems, behavioral and experimental macro-finance, agent-based models and their applications to policy analysis.

## **Lecture: “Adaptive Behavior in the Lab”**

### **Abstract**

Lucas (1986) viewed the (in)stability of expectations as an experimentally testable hypothesis. We use learning-to-forecast experiments (LtFEs) to study the stability of expectations in the lab in a multivariate setting. The (in)stability in the lab is characterized by the leading eigenvalues of the expectations feedback system. This empirical characterization, however, is different from what most learning theories would predict. Using a behavioral mixed heuristics switching model (HSM) calibrated to our LtFE we find an instability region inside the unit circle, with real or complex near unit root eigenvalues. Such experimental economies are unstable with subjects in the lab coordinating on trend-following behavior amplifying temporary bubbles and crashes.

**JEL Classification:** D84, D83, E32, C92

**Keywords:** Expectation, learning, lab experiments, behavioral macroeconomics.

**03:00 PM – 04:30 PM** Parallel Sessions 14– 15 (Room Vitrail, Room Condorcet)

**SESSION 14: ASSET PRICING, ROOM VITRAIL**

**CHAIRMAN: Rim Cherif** (The American University in Cairo (School of Business), Egypt)

**Paper Title (ID):** The High Frequency Trading and Circuit Breakers in an Electronic Market (46)

**Authors:** Roland Gillet (Solvay Brussels School, Belgium), Stéphanie Ligot (University Paris 1 Panthéon-Sorbonne, France) and **Iryna Veryzhenko Leboeuf** (CNAM Paris, France)

**Discussant: António Alberto Ferreira Santos** (Univ Coimbra & CeBER, Portugal)

**Paper Title (ID):** Portfolio Allocation Decision-Making through Step Utility Functions (23)

**Authors: António Alberto Ferreira Santos** (Univ Coimbra & CeBER, Portugal)

**Discussant: Rim Cherif** (The American University in Cairo (School of Business), Egypt)

**Paper Title (ID):** Dynamic Programming for Valuing Options Embedded in Corporate Bonds (82)

**Authors:** Malek Ben-Abdellatif (ESLSCA University, Egypt), Hatem Ben Ameer (HEC Montreal, Canada), **Rim Cherif** (The American University in Cairo (School of Business), Egypt)

**Discussant: Iryna Veryzhenko Leboeuf** (CNAM Paris, France)

**SESSION 15: PHD STUDENT WORKSHOP 2, ROOM CONDORCET**

**CHAIRMAN: PROF. Aditi Chaubal** (Indian Institute of Technology Bombay, India)

**Paper Title (ID):** Empirical Research on ESG Factor-Optimized Asset Pricing and Multifactor Models (30)

**Authors: Sinian Zheng** (University College Dublin, Ireland), Valerio Poti (University College Dublin, Ireland) and Alessia Paccagnini (University College Dublin, Ireland)

**Discussant: Joseph Agyapong** (FernUniversität in Hagen, Germany)

**Paper Title (ID):** Financial Inclusion and Environmental Quality (26)

**Authors: Oumaima Sahtout** (IAE Lille University School of Management, France) and Fredj Jawadi (IAE Lille University School of Management, France)

**Discussant: PROF. Aditi Chaubal** (Indian Institute of Technology Bombay, India)

**Paper Title (ID):** Sentiments and Global Financial Cycles: Emerging Market Currencies Outlook (61)

**Authors:** Joscha Beckmann (FernUniversität in Hagen, Germany) and **Joseph Agyapong** (FernUniversität in Hagen, Germany)

**Discussant: Sinian Zheng** (University College Dublin, Ireland)

**04:30 PM – 05:00 PM** Coffee Break **Room Legentil**

**05:00 PM – 06:00 PM MEETING WITH EDITORS ROOM VITRAIL**

**Moderator:** **PROF. Fredj Jawadi** (IAE Lille University School of Management, France)

**PROF. Iftekhar Hasan**, Editor of *Journal of Financial Stability*

**PROF. Christophe J. Godlewski**, Editor in Chief of *Revue Finance*,

**PROF. Cars Hommes**, Former Editor of *Journal of Economic Dynamics and Control*

**PROF. Willi Semmler**, Associate Editor of *Econometrics and Statistics* & Editor of the Book series at Springer, *Dynamic Modeling and Econometrics in Economics and Finance*

**06:00 PM CONCLUDING REMARKS AND INFORMATION ABOUT SPECIAL ISSUES ROOM VITRAIL**

**PROF. Gilles Dufrénot** (Sciences Po Aix, France) and **PROF. Fredj Jawadi** (IAE Lille University School of Management, France)